Public Law 99-260
99th Congress

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An Act

Entitled the "Food Security Improvements Act of 1986".

Mar. 20, 1986
[H.R. 1614]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Food Security Improvements Act of 1986.
Agriculture and agricultural commodities.
7 USC 1281 note.
Conservation.

SECTION 1. SHORT TITLE.

This Act may be cited as the "Food Security Improvements Act of 1986".

SEC. 2. NONPROGRAM CROPS.

(a) WHEAT.—Section 107D(c)(1) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended—

99 Stat. 1383.
7 USC 1445b–3.

(1) in subparagraph (C), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (K))";

(2) in subparagraph (C)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (K)).''; and

(3) by striking out subparagraph (K) and inserting in lieu thereof the following new subparagraph:

"(K)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (C) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

Sorghum.
Guar.
Sesame.
Safflower.
Sunflower.
Castor beans.
Mustard seed.
Crambe.
Plantago ovato.
Flaxseed.
Triticale.
Rye.

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions

State and local governments.

99 Stat. 1635, 1636.

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as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (C) in such State to be devoted to haying and grazing.

Prohibition.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(b) FEED GRAINS.—Section 105C(c)(1) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended—

99 Stat. 1395.
7 USC 1444e.

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (I))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (I)).."; and

(3) by striking out subparagraph (I) and inserting in lieu thereof the following new subparagraph:

Sorghum.
Guar.
Sesame.
Safflower.
Sunflower.
Castor beans.
Mustard seed.
Crambe.
Plantago ovato.
Flaxseed.
Triticale.
Rye.

"(I)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

State and local governments.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

99 Stat. 1635, 1636.

Prohibition.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(c) COTTON.—Section 103A(c)(1) of the Agricultural Act of 1949 (as added by section 501 of the Food Security Act of 1985) is amended—

99 Stat. 1407.
7 USC 1444-1.

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G))."; and

(3) by striking out subparagraph (G) and inserting in lieu thereof the following new subparagraph:

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

Sorghum.
Guar.
Sesame.
Safflower.
Sunflower.
Castor beans.
Mustard seed.
Crambe.
Plantago ovato.
Flaxseed.
Triticale.
Rye.

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

State and local governments.

99 Stat. 1635, 1636.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

Prohibition.

(d) RICE.—Section 101A(c)(1) of the Agricultural Act of 1949 (as added by section 601 of the Food Security Act of 1985) is amended—

99 Stat. 1419.
7 USC 1444-1.

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G))."; and

(3) by striking out subparagraph (G) and inserting in lieu thereof the following new subparagraph:

Sorghum.
Guar.
Sesame.
Safflower.
Sunflower.
Castor beans.
Mustard seed.
Crambe.
Plantago ovato.
Flaxseed.
Triticale.
Rye.

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

State and local governments.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

99 Stat. 1635, 1636.

Prohibition.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

Wheat.
Feedgrains.
Cotton.
Rice.
Soybeans.
Prohibition.
7 USC 1441-1 note.

(e) APPLICATION.—In the case of the 1986 crops of wheat, feed grains, upland cotton, and rice, the amendments made by this section shall not apply to any producer who demonstrates to the satisfaction of the Secretary of Agriculture that the producer, before February 26, 1986, planted or contracted to plant for the 1986 crop year a portion of the permitted acreage of the producer to any agricultural commodity other than wheat, feed grains, upland cotton, extra long staple cotton, rice, or soybeans.

SEC. 3. FARM PROGRAM PAYMENT YIELDS.

99 Stat. 1463.
7 USC 1466.

(a) ESTABLISHED PRICE PAYMENTS FOR 1986 AND 1987 CROP YEARS.—Section 506(b) of the Agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended—

(1) in paragraph (1), by striking out "paragraph (2)" and inserting in lieu thereof "paragraphs (2) and (3)";

(2) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively; and

(3) by inserting after paragraph (1) the following new paragraph:

"(2)(A) In the case of the 1986 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 3 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established

price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 3 percent below the farm program payment yield for the 1985 crop year.

"(B) In the case of the 1987 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 5 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 5 percent below the farm program payment yield for the 1985 crop year.".

(b) FARM PROGRAM PAYMENT YIELDS FOR 1988 AND SUBSEQUENT CROP YEARS.—Section 506(c)(1) of the Agricultural Act of 1949 is amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of this paragraph, for purposes of establishing a farm program payment yield for any program crop for any farm for the 1988 and subsequent crop years, the farm program payment yield for the 1986 crop year may not be reduced more than 10 percent below the farm program payment yield for the farm for the 1985 crop year.". Prohibition. 99 Stat. 1463. 7 USC 1466.

SEC. 4. SPECIAL ASSISTANT FOR AGRICULTURAL TRADE AND FOOD ASSISTANCE.

(a) CHANGE OF TITLE.—(1) Section 1113 of the Food Security Act of 1985 is amended— 99 Stat. 1479. 7 USC 1736-1.

(A) in the caption, by striking out "FOOD AID" and inserting in lieu thereof "FOOD ASSISTANCE"; and

(B) in subsection (a), by striking out "Food Aid" and inserting in lieu thereof "Food Assistance".

(2) The table of contents in section 2 of such Act is amended by striking out "Food Aid" in the item relating to section 1113 and inserting in lieu thereof "Food Assistance".

(b) APPOINTMENT OF INITIAL SPECIAL ASSISTANT.—Section 1113(a) of such Act is amended by adding at the end thereof the following new sentence: "The President shall appoint the initial Special Assistant not later than May 1, 1986." President of U.S.

(c) REMOVAL OF LEVEL I CLASSIFICATION.—Section 5312 of title 5, United States Code, as amended by section 1113(d) of the Food Security Act of 1985, is amended by striking out the item relating to:

"Special Assistant for Agricultural Trade and Food Aid.".

(d) COMPENSATION FOR THE SPECIAL ASSISTANT.—Section 1113(d) of the Food Security Act of 1985 is amended to read as follows: 7 USC 1736-1.

"(d) Compensation for the Special Assistant shall be fixed by the President at an annual rate of basic pay of not less than the rate applicable to positions in level III of the Executive Schedule.". President of U.S.

SEC. 5. TARGETED EXPORT ASSISTANCE.

Section 1124 of the Food Security Act of 1985 is amended by striking out subsection (a) and inserting in lieu thereof the following new subsection: 99 Stat. 1481. 7 USC 1736s.

"(a) For export activities authorized to be carried out by the Secretary of Agriculture or the Commodity Credit Corporation, in

addition to any funds or commodities otherwise required under this Act to be used for such activities—

"(1) for each of the fiscal years ending September 30, 1986, through September 30, 1988, the Secretary shall use under this section not less than $110,000,000 of funds of, or commodities owned by, the Corporation; and

"(2) for each of the fiscal years ending September 30, 1989, and September 30, 1990, the Secretary shall use under this section not less than $325,000,000 of funds of, or commodities owned by, the Corporation.".

SEC. 6. DEVELOPMENT AND EXPANSION OF MARKETS FOR UNITED STATES AGRICULTURAL COMMODITIES.

99 Stat. 1483.
7 USC 1736v.

Subsection (i) of section 1127 of the Food Security Act of 1985 is amended to read as follows:

"(i) During the period beginning October 1, 1985, and ending September 30, 1988, the Secretary shall use agricultural commodities and the products thereof referred to in subsection (a) to carry out this section, except that the value of the commodities and products may not be less than $1,000,000,000, nor more than $1,500,000,000. To the maximum extent practicable, such commodities shall be used in equal amounts during each of the years in such period.".

SEC. 7. HAY AND GRAZING ON DIVERTED WHEAT AND FEED GRAIN ACREAGE.

(a) WHEAT.—Subparagraph (C) of section 107D(f)(4) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended to read as follows:

99 Stat. 1383.
7 USC 1445b–3.
State and local governments.

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

99 Stat. 1635, 1636.

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of wheat; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of wheat.

"(ii) In the case of each of the 1987 through 1990 crops of wheat, grazing shall not be permitted for any crop of wheat under clause (i)(II) during any 5-consecutive-month period that is established for such crop for a State by the State committee established under section 8(b) of such Act.".

(b) FEED GRAINS.—Subparagraph (C) of section 105C(f)(4) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended to read as follows:

99 Stat. 1395.
7 USC 1444e.

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of feed grains; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of feed grains.

"(ii) In the case of each of the 1987 through 1990 crops of feed grains, grazing shall not be permitted for any crop of feed grains under clause (i)(II) during any 5-consecutive-month period that is established for such crop for a State by the State committee established under section 8(b) of such Act.". Prohibition.

SEC. 8. PROTECTION OF BASE ON NONPROGRAM CROP ACREAGE.

Section 504(b)(2) of the Agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended— 99 Stat. 1461. 7 USC 1464.

(1) by redesignating clause (D) as clause (E); and

(2) by striking out clause (C) and inserting in lieu thereof the following new clauses:

"(C) acreage in an amount equal to the difference between the permitted acreage for a program crop and the acreage planted to the crop, if the acreage considered to be planted is devoted to conservation uses or the production of commodities permitted under section 107D(c)(1)(K), 105C(c)(1)(I), 103A(c)(1)(G), or 101A(c)(1)(G), as the case may be; Conservation. 99 Stat. 1383, 1395, 1407, 1419.

"(D) in the case of each of the 1986 through 1989 crop years, acreage in an amount equal to not to exceed 50 percent of the permitted acreage for a program crop for each of the 1986 and 1987 crop years, 35 percent of the permitted acreage for the 1988 crop year, and 20 percent of the permitted acreage for the 1989 crop year, if— 7 USC 1445b-3, 1444e, 1444-1, 1441-1.

"(i) the acreage considered to be planted is planted to a crop, other than a program crop, peanuts, soybeans, extra long staple cotton, or commodities specified in clause (C); Peanuts. Soybeans. Cotton.

"(ii) the producers on the farm plant for harvest to the program crop at least 50 percent of the permitted acreage for such crop; and

"(iii) payments are not received by producers under 107D(c)(1)(C), 105C(c)(1)(B), 103A(c)(1)(B), or 101A(c)(1)(B), as the case may be; and".

SEC. 9. MARKETWIDE SERVICE PAYMENTS.

(a) HEARING.—Not later than 90 days after receipt of a proposal to amend a milk marketing order in accordance with section 8c(5)(J) of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c(5)(J)) (as added by section 133 of the Food Security Act of 1985), the Secretary of Agriculture shall conduct a hearing on the proposal. 7 USC 608c note. 99 Stat. 1373.

(b) IMPLEMENTATION.—Not later than 120 days after a hearing is conducted under subsection (a), the Secretary shall implement, in accordance with the Agricultural Adjustment Act, a marketwide service payment program under section 8c(5)(J) of such Act that meets the requirements of such Act. 7 USC 601 note.

SEC. 10. INCREASED MILK ASSESSMENTS TO MEET DEFICIT REDUCTION REQUIREMENTS.

Effective March 1, 1986, section 201(d)(2) of the Agricultural Act of 1949 (as amended by section 101(a) of the Food Security Act of 1985 (Public Law 99-198)) is amended—

99 Stat. 1362.
7 USC 1446.

(1) in subparagraph (B), by striking out "The" and inserting in lieu thereof "Except as provided in subparagraph (E), the"; and

(2) by adding at the end thereof the following new subparagraph:

"(E)(i) In lieu of any reductions in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, required under the order issued by the President on February 1, 1986, under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), the Secretary shall increase the amount of the reduction required under subparagraph (A) during the period beginning April 1, 1986, and ending September 30, 1986, as the sole means of meeting any reductions required under the order in payments made by the Secretary for the purchase of milk and the products of milk under this subsection.

99 Stat. 1072.
2 USC 902.

Prohibition.

"(ii) The aggregate amount of any increased reduction under clause (i) shall be equal, to the extent practicable, to the aggregate amount of the reduction that would otherwise be required under the order referred to in clause (i) in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, except that the amount of any increased reduction under clause (i) may not exceed 12 cents per hundredweight of milk marketed.".

SEC. 11. RESEARCH ON EXTERNAL COMBUSTION ENGINES.

Exports.
Prohibition.
15 USC 714b.

Section 4(m) of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new sentence as follows: "Notwithstanding any other provision of this Act, the Corporation may, in the exercise of its power to remove and dispose of surplus agricultural commodities, export, or cause to be exported, not to exceed such amounts of commodities owned by the Corporation as will enable the Corporation to finance research and development of external combustion engines using fuel other than that derived from petroleum and petroleum products. The total value of commodities exported annually for the purposes of the research authorized by the preceding sentence may not exceed $30,000,000.".

SEC. 12. QUALITY CONTROL STUDIES UNDER THE FOOD STAMP PROGRAM.

99 Stat. 1587.
7 USC 2025 note.

Section 1538 of the Food Security Act of 1985 is amended—

(1) in subsection (a)(3), by striking out "of enactment of this Act" and inserting in lieu thereof "the Secretary and the National Academy of Sciences enter into the contract required under paragraph (2)";

(2) in subsection (c)(1), by striking out "18 months after the date of enactment of this Act" and inserting in lieu thereof "6 months after the date on which the results of both studies required under subsection (a)(3) have been reported"; and

(3) in subsection (c)(2), by striking out "2 years after the date of enactment of this Act" and inserting in lieu thereof "6

months after the date on which the results of both studies required under subsection (a)(3) have been reported,".

SEC. 13. ADVANCE RECOURSE LOANS. 7 USC 1433c-1.

(a) It is the sense of Congress that the Secretary of Agriculture carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program, if implemented, shall provide for the following: 99 Stat. 1447. 7 USC 1433c.

(1) Advance recourse loans shall be made available only to those producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1986 crop of that commodity, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes (as determined by the Secretary) in the community in or near which the applicant resides. A producer who has received a commitment or been furnished sufficient credit or a loan for production of the 1986 crop of a commodity shall not be eligible for an advance recourse loan to finance the production of that commodity for such crop year. Prohibition.

(2) Advance recourse loans shall be made available to producers of a commodity at the applicable nonrecourse loan rate for the commodity (as determined by the Secretary). Within the limits set out in paragraphs (5) and (7), advance recourse loans shall be available—

(A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to one-half of the farm program yield for the commodity multiplied by the farm program acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary; Wheat. Feed grains. Cotton. Rice.

(B) to producers of tobacco and peanuts who are on a farm for which a marketing quota or poundage quota has been established on an amount of the commodity equal to one-half of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary; and Tobacco. Peanuts.

(C) to producers of other commodities on an amount of the commodity equal to one-half of the farm yield for the commodity multiplied by the farm acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary.

(3) An advance recourse loan under section 424 shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under section 424 shall specify the date on which the loan is to come due. Contracts.

(4)(A) The Secretary shall establish procedures, when practicable, under which a producer, simultaneously with repayment of his recourse loan, may obtain a nonrecourse loan on his crop (as otherwise provided for in the Agricultural Act of 1949) in an amount sufficient to repay his recourse loan. 7 USC 1421 note.

(B) In cases in which nonrecourse loans under such Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay a recourse loan at the same time the producer receives advances or other payment from the producer's disposition of his crop.

(5) Advance recourse loans shall be made available as needed solely to cover costs involved in the production of the 1986 crop that are incurred or are outstanding on or after the date of enactment of this section.

(6) To obtain an advance recourse loan, the producer on a farm must—

(A) provide as security for the loan a first lien on the crop covered by the loan or provide such other security as may be available to the producer and determined by the Secretary to be adequate to protect the Government's interests; and

Insurance.

(B) obtain multiperil crop insurance, if available, to protect the crop that serves as security for the loan.

Insurance.

If a producer does not have multiperil crop insurance and is located in a county in which the signup period for multiperil crop insurance has expired, the producer shall be required to obtain other crop insurance, if available.

Prohibition.

(7) The total amount in advance recourse loans that may be made to a producer under section 424 may not exceed $50,000.

99 Stat. 1447.
7 USC 1433c.

(8) An advance recourse loan may be made available only to a producer who agrees to comply with such other terms and conditions determined appropriate by the Secretary and consistent with the provisions of section 424.

(b) The Secretary shall carry out the program provided for under section 424 through the Commodity Credit Corporation, using the services of the Agricultural Stabilization and Conservation Service and the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) to make determinations of eligibility with respect to the credit test under subsection (a)(1), and determinations as to the sufficiency of security under subsection (a)(6). The Secretary may use such committees for such other purposes as the Secretary determines appropriate in carrying out section 424.

99 Stat. 1635, 1636.

Regulations.

(c) It is further the sense of Congress that the Secretary of Agriculture issue or, as appropriate, amend regulations to implement any program established under section 424 as soon as practicable, but not later than 15 days after the date of enactment of this Act. Loans and other assistance provided under such program shall be made available beginning on the date such regulations are issued or amended.

SEC. 14. TRANSFER OF AGRICULTURAL PRODUCTS STORED IN WAREHOUSES.

Section 17 of the United States Warehouse Act (7 U.S.C. 259) is amended—

(1) by striking out "That" and inserting in lieu thereof "(a) Except as provided in subsection (b),"; and

(2) by adding at the end thereof the following new subsection:

Regulations.

"(b)(1) Notwithstanding any other provision of this Act, if a warehouseman because of a temporary shortage lacks sufficient space to store the agricultural products of all depositors in a licensed warehouse, the warehouseman may, in accordance with regulations issued by the Secretary of Agriculture and subject to such terms and conditions as the Secretary may prescribe, transfer stored agricultural products for which receipts have been issued out of such warehouse to another licensed warehouse for continued storage.

"(2) The warehouseman of a licensed warehouse from which agricultural products have been transferred under paragraph (1) shall deliver to the rightful owner of such products, on request, at the licensed warehouse where first deposited, such products in the amount, and of the kind, quality, and grade, called for by the receipts or other evidence of storage of such owner.".

SEC. 15. PLAN FOR THE USE OF AFRICA FAMINE RELIEF.

Title II of the Act of April 4, 1985, entitled "An Act Making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes", Public Law 99-10, is amended by striking out "the Administrator" and all that follows through "Africa." and inserting in lieu thereof the following: "the President certifies that the use of such funds is essential to famine relief in Africa. The Administrator of the Agency for International Development shall prepare and submit to Congress before April 15, 1986, a plan specifying how such additional funds for African famine relief would be used. The plan shall ensure, among other things, that the funds for the reserve, if utilized, shall be available to cover all costs for inland transportation of food only as are necessary for its timely delivery.". 99 Stat. 28.

SEC. 16. ESTIMATION OF COMMODITY CREDIT CORPORATION UNCOMMITTED STOCK.

Section 416(b)(10)(B) of the Agricultural Act of 1949 is amended— 99 Stat. 1467. 7 USC 1431.

(1) by inserting before the period at the end of the second sentence the following: "or, in the case of fiscal year 1986, prior to March 31, 1986"; and

(2) by inserting before the period at the end of the third sentence the following: "or, in the case of fiscal year 1986, March 31, 1986".

Approved March 20, 1986.

LEGISLATIVE HISTORY—H.R. 1614 (S. 822) (S. 2143):

HOUSE REPORT No. 99-146 (Comm. on Agriculture).
CONGRESSIONAL RECORD:
Vol. 131 (1985): June 5, considered and passed House.
Vol. 132 (1986): Mar. 6, considered and passed Senate, amended, in lieu of S. 2143; House concurred in Senate amendments.
WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 22, No. 12 (1986): Mar. 20, Presidential statement.

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